

DEFENSE LOGISTICS AGENCY

DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VIRGINIA 22060-6222

SEP 0 1 2004

CONTRACTING INSTRUCTION (CI): 04–18 MEMORANDUM FOR CI DISTRIBUTION

SUBJECT: Natural Gas and Refined Products Economic Price Adjustment (EPA) Ceiling

Pursuant to the coverage in DEPI 16.203-3(b) and the requests from DESC-A, DESC-B, and DESC-P regarding adjustment of the EPA ceiling for Natural Gas, Bulk Fuels and Direct Delivery Fuels Commodity Business Units (CBUs), the following EPA ceilings are established and are effective for a two year period commencing October 1, 2004 through September 30, 2006, unless superseded beforehand. These ceilings were approved by the Office of Market Research, DESC-RN:

Natural Gas:

60%

Refined Product:

60%

Approval of the appropriate CBU Director must be obtained for any current solicitation or contract ceiling exceeding the ceiling listed above. If the CBU Director is not DAWIA level III certified in contracting, approval must be obtained by the CSPO or Associate CSPO.

This CI is effective immediately and expires 30 September 2006. Points of contact are Sherry Wilson, extension 7392 and Cheryl Creason, extension 8471.

GABRIELLA M. EARHARDT

Center Senior Procurement Official